

MEA-Retired Tribune

May 2017

Verification of Coverage coming soon

2017 Verification of Coverage

The Office of Retirement Services reports that members who have Blue Cross Blue Shield will be receiving the Verification of Coverage form sometime in May or early June 2017. This form must be completed for yourself and anyone else covered by your retirement system health plan. You must respond to the survey even if you do not have other coverage. If you do not respond, your retirement system medical and prescription coverage will be canceled. The Verification of Coverage survey asks you to identify any other health coverage you or your dependents might have, in addition to your retirement system coverage. The information you provide is used to coordinate your coverage with other plans. The coordination helps to insure that you are using all of your coverage in the right combination and that each of your health plans share the cost of your health care appropriately. Watch for your Verification of Coverage in the mail. This only applies to members who have Blue Cross Blue Shield and the deadline is July 15, 2017. If you DO NOT receive the form, please call 1-888-231-0382 or go online to mpsers.coverageupdatecenter.com

Pay raises for elected officials???

On Thursday, the State Officers Compensation Commission began to review whether Michigan's governor, legislators, Supreme Court justices and other elected officials deserve pay raises for the first time in more than 15 years. The seven-member panel, created by the state constitution and appointed by the governor, will make recommendations by June 15. Any pay changes would require legislative approval, which has happened only once since 2002, when Michigan voters approved a ballot proposal limiting the power of the commission. That one change — approved in 2009 for 2011 — cut pay for legislators, the governor and lieutenant governor 10 percent.

MEA and MEA-Retired members elect new MEA officers

MEA's Representative Assembly elected new officers for a three-year term beginning September 1, 2017. Paula Herbart, a music teacher from Fraser (center), will serve as the new President. Chandra Madafferri, a high school health teacher from Novi, was elected Vice President; Brett Smith, a fifth grade teacher from Linden, was elected Secretary/Treasurer. This was the first year MEA-Retired delegates were permitted to vote for MEA officers

Indications are that MPSERS closure a top priority

We have been hearing that Senate Majority Leader Arlan Meekhof has declared that closing the Michigan Public School Employees Retirement System is his top priority this spring. Up until today, we did not know whether the State House leaders shared this sentiment. Now we know.

Speaker of the House, Tom Leonard, has apparently communicated to his Republican caucus that they will no longer pursue a tax cut plan this spring, but instead will join with the Senate leadership to make severe cuts to public school retirement. Ironically, because of the large up-front closing costs, closing MPSERS will require hundreds of millions of dollars to be diverted from other priorities.

Just five years ago, the Legislature shifted newly hired school employees into a hybrid pension plan. This satisfied the goal of limiting risk to the state while preserving a secure benefit for school workers. Now some legislators want to close the plan altogether and shift school workers in to a risky 401(k) style plan; the same type of plan that has proved to be disastrous for state workers.

The 401(k) plan is more expensive than the current hybrid plan and provides a less secure benefit for workers. The demand for the switch is coming from private investment advisors who will make millions in new fees if future school employees are forced into a 401(k)-style system. Taxpayers pay more. School employees get less. Fund managers make millions.

Please contact your legislator and tell them to oppose this boondoggle! The Legislature may act very soon, so please call or write today! (by Rosemary Carey)

Retirement accounts

If you turned 70 ½ in 2016, you must take your first required minimum distribution from your retirement account (403B or regular IRA). The distribution must be taken by December 31 of each year. If you wish to avoid taxes on distributions taken, you may have the holder of your account send the amount directly to a charitable institution such as a public university or a church. (from the MEA-Retired Region 16 update)

Calendar

May 20, 2017 – MEA PAC Annual Meeting

August 2, 2017 – Meeting for Chapter Presidents at Summer Leadership

Substitute Teaching Proposal

Three proposed bills would affect substitute teachers. [HB 4069](#) would reduce the college credit hours required for substitute teachers from 90 to 60. [HB 4421](#) would allow a board to employ a person to be a substitute teacher in a subject matter or field in which the person has achieved expertise, as determined by the board as long as the person held a professional license or certificate (in that field in which they substitute teach). [HB 4422](#) would remove sunset provisions that allow retired teachers to substitute teach. In addition it would remove the requirement that school districts pay unfunded liability retirement costs. These bills are all under consideration in the House Education Reform committee. (MEA)